



Facts You Need to Understand Before You Participate in the City of Rockville

MPDU Purchase Program

1. The purpose of the MPDU program is to make homeownership in the City of Rockville available to households with moderate incomes.
2. To purchase an MPDU, you must be first time homebuyer and not have owned a home or been on the deed to a home somewhere else within the past five years
3. The owner of an PDU cannot own a second home while owning the MPDU.
4. An MPDU has a legally enforceable control period of 30 years from the date of settlement.
5. Owners of an MPDU must lie in the MPDU as their residence throughout the 30-year control period.
6. During the 30-year control period, owners may only sell their MPDU through the MPDU program at a price determined by the City. Receipts are required for credit for improvements.
7. MPDUs may be refinanced during the 30-year control period but the owner must obtain approval from the City to refinance.
8. Owners may not rent out their MPDU during the 30-year control period unless the City grants permission to do so.
9. If the same owner lives in a MPDU for the full 30-year period, the control period will expire. After it expires, the owner may rent out the unit or sell it on the open market at market price.
10. When the unit is sold for the first time following the expiration of the control period, the owner must pay **50% of the profit** to the City.
11. The City will take legal action against an MPDU owner who violates any of the rules.

I/we certify that I/we do not currently own another residence and that no one in our household who will living in our MPDU unit currently owns a residence.

Buyer: _____

Buyer: _____

Date_____

Date_____

I verify that _____ buyer(s) is/are approved to be buy
the MPDU unit located at _____

MPDU Staff Signature _____

Date _____

PURCHASER AGREEMENT

City of Rockville Moderately Priced Dwelling Units Program (MPDU)



Instructions: Purchaser(s) must complete Section 1 and affix their signature(s) in Section 4.
Developers/Builders/Seller must complete Sections 2.

1. Purchaser(s)

2. Developer/Builder/Seller

Name

Seller Name

Name

Name of Subdivision

Current Address

2a.

Lot/Block #

2b. MPDU Unit Address

2c.

Date of Settlement

2d. _____

MPDU Purchase Price

4. I/We, the undersigned, as the purchaser (s) ("Purchaser") of the Moderately Priced Dwelling Unit ("MPDU") identified above, do hereby acknowledge and agree that this MPDU is subject to a thirty (30) year Control Period. During the Control Period, the MPDU is subject to the MPDU Declaration of Covenants, City Code 13.5, as amended and the regulations promulgated thereunder. The expiration of the Control Period is identified below. As Purchaser, while I own the MPDU, I certify that:

1. I will occupy it as my primary residence during the entire Control Period and if I fail to occupy the MPDU as my Primary residents, the City may require that the MPDU be offered for sale to a person eligible to purchase an MPDU under Chapter 13.5 of the City Code.
2. I cannot rent the MPDU during the control period except in limited circumstances with the City's written permission and that if the MPDU is rented illegally, the City may take legal action to recover all rent collected.
3. I cannot purchase another residential property during the Control Period and that I must sell the MPDU in accordance with the MPDU Program regulations, before purchasing another residential property.
4. The improvements herein conveyed with the MPDU, and those that may subsequently be made to the MPDU, must not be sold or refinanced for a price greater than that determined and approved by the City prior to such sale or refinance.
5. If the MPDU is sold before the end of the Control Period, a new Control Period will commence (the clock will start again for 30 years).
6. I will be required, upon the first sale of the PDU after the expiration of the Control Period, to tender a payment to the City's Affordable Housing Fund in an amount equal to one-half (1/2) of the profits from the sale.
7. I have received a copy of the recorded MPDU covenants and copy of Chapter 13.5 of the City Code.
8. I have never owned an MPDU and neither I nor any members of my/our household, has owned any residential property during the past 5 years.

Buyer Signature

Date

Buyer Signature

Date

For all purposes of interpretation of this Agreement, the singular shall include the plural and the plural shall include the singular.





**RECEIPT OF MPDU COVENANTS AND CHAPTER 13.5 OF THE CITY OF
ROCKVILLE CODE**

**City of Rockville
Moderately Priced Dwelling Units Program (MPDU)**

I/We _____ (insert names) hereby acknowledge and agree that I am/we are in receipt of one (1) copy of the Declaration of Covenants for _____ (name of subdivision) which was recorded among the land records of Montgomery County, Maryland on _____ (date) in _____ (liber) at _____ (folio) (Covenants); and one (1) copy of Chapter 13.5 of the City of Rockville Code (Code).

I/We acknowledge and agree that these Covenants are binding upon my/our MPDU unit located at _____ (insert MPDU address) and that as owner(s) of the MPDU, I am/we are bound by the MPDU requirements as set forth in the Covenants and in Chapter 13.5 of the Code.

ACKNOWLEDGED AND AGREED ON THIS _____ DAY OF _____, 20 ____

WITNESS:

Signature

Print Name

Signature

Print Name

BUYER(s):

Signature

Print Name

Signature

Print Name